

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Balance Sheet**  
**As of 5/31/2004**

6/29/2004

	As of <u>5-31-04</u>	As of <u>6-30-03</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 537,512,931	\$ 475,417,195
INTERNATIONAL EQUITIES	344,447,486	293,812,409
DOMESTIC FIXED INCOME	181,386,750	150,491,883
INTERNATIONAL FIXED INCOME	62,361,543	52,857,523
REAL ESTATE	120,035,708	109,451,910
VENTURE CAPITAL	62,383,060	52,189,986
INVESTED CASH (NOTE 1)	<u>22,267,342</u>	<u>23,855,378</u>
 TOTAL INVESTMENTS	 1,330,394,820	 1,158,076,284
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	7,022,629	4,588,915
CONTRIBUTIONS RECEIVABLE	8,269,996	6,260,471
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>41,698</u>
 TOTAL RECEIVABLES	 15,292,625	 10,891,084
 <b>OTHER ASSETS</b>		
OPERATING CASH (NOTE 2)	7,932,010	7,388,155
DUE FROM OTHER AGENCIES (NOTE 3)	<u>73,103</u>	<u>0</u>
 TOTAL ASSETS	 <u><u>\$ 1,353,692,558</u></u>	 <u><u>\$ 1,176,355,523</u></u>
 <b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	824,066	824,172
ACCRUED EXPENSES	163,902	244,481
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>38,392</u>
 TOTAL LIABILITIES	 987,968	 1,107,045
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,175,248,478	1,165,369,565
CASH IN DURING YEAR (NOTE 5)	110,125,500	120,855,000
CASH OUT DURING YEAR (NOTE 6)	113,914,850	120,855,000
NET INCREASE (DECREASE)	<u>181,245,462</u>	<u>9,878,913</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,352,704,590</u>	 <u>1,175,248,478</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,353,692,558</u></u>	 <u><u>\$ 1,176,355,523</u></u>

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Profit and Loss Statement**  
**For the Month Ended 5/31/2004**

6/29/2004

	Month Ended <u>5-31-04</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,716,934	\$ 33,370,340
SECURITIES LENDING INCOME	84,990	672,352
	<u>3,801,924</u>	<u>34,042,692</u>
GAIN ON SALE OF INVESTMENTS	14,361,573	157,111,010
LOSS ON SALE OF INVESTMENTS	<u>8,436,132</u>	<u>104,712,596</u>
NET GAINS (LOSSES) INVESTMENTS	5,925,441	52,398,414
INVESTMENT EXPENSES	417,283	3,996,727
SECURITIES LENDING EXPENSES	51,406	459,442
SIB ADMINISTRATIVE EXPENSES	<u>9,554</u>	<u>110,916</u>
NET INVESTMENT INCOME	9,249,122	81,874,021
NET APPREC (DEPREC) MARKET VALUE	(7,039,927)	116,696,362
MISCELLANEOUS INCOME/(EXPENSE)	<u>121,711</u>	<u>172,585</u>
TOTAL INVESTMENT INCOME	2,330,906	198,742,968
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	8,841,200	52,596,385
PURCHASED SERVICE CREDIT (NOTE 8)	251,342	3,381,545
PENALTY & INTEREST (NOTE 9)	<u>20</u>	<u>(24)</u>
TOTAL ADDITIONS	<u>11,423,468</u>	<u>254,720,874</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,363,932	70,346,041
REFUNDS TO MEMBER (NOTE 11)	<u>14,241</u>	<u>1,839,896</u>
TOTAL BENEFITS PAID	6,378,173	72,185,937
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	441,699	1,289,475
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>441,699</u>	<u>1,289,475</u>
TOTAL DEDUCTIONS	<u>6,819,872</u>	<u>73,475,412</u>
NET INCREASE (DECREASE)	<u>\$ 4,603,596</u>	<u>\$ 181,245,462</u>

**TEACHERS' FUND FOR RETIREMENT**  
**Notes To Financial Statements**  
**May 31, 2004**

6/29/2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1            INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2            OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3            DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4            DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5            CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6            CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7            CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8            PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

**TEACHERS' FUND FOR RETIREMENT**  
**Notes to Financial Statements**  
**5/31/2004**

6/29/2004

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.